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of Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

Case No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**STATEMENT AND RESERVATION OF
RIGHTS OF THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS REGARDING
THE NOTEHOLDER RSA MOTION**

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

** All papers shall be filed in the Lead
Case, No. 19-30088 (DM).*

Date: February 4, 2020
Time: 10:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
450 Golden Gate Avenue
San Francisco, CA 94102

Re: Docket No. 5519

The Official Committee of Unsecured Creditors (the "Creditors' Committee") appointed
in the above-captioned chapter 11 cases, by its attorneys Milbank LLP, hereby submits this

1 statement and reservation of rights in connection with the *Debtors' Motion Pursuant to 11 U.S.C.*
2 *363(b) and 105(a) and Fed. R. Bankr. P. 6004 and 9019 for Entry of an Order (I) Approving and*
3 *Authorizing the Debtors to Enter into Restructuring Support Agreement with Consenting*
4 *Noteholders and Shareholder Proponents, and (II) Granting Related Relief* (the "Noteholder RSA
5 Motion")¹ [Docket No. 5519].

6
7 The Creditors' Committee does not oppose approval of the Noteholder RSA Motion. In
8 connection with the Noteholder RSA, however, the Debtors and Shareholder Proponents have
9 recently filed their *Joint Chapter 11 Plan of Reorganization dated January 31, 2010* [Docket No.
10 5590] (the "Amended Plan"). Given the timing, the Creditors' Committee has not had sufficient
11 time to review and properly diligence the various issues raised by the Amended
12 Plan. Nevertheless, the Creditors' Committee is aware of a number of substantive issues raised by
13 the Amended Plan, including, but not limited to:

- 14 • Plan feasibility given the proposed capital structure;
- 15 • Compliance with A.B. 1054;
- 16 • Post-petition interest entitlements of unsecured creditors; and
- 17 • Impact of the proposed assignment of estate claims against third party vendors and
18 others to the Fire Victim Trust.

19
20 The Creditors' Committee intends to analyze and address these issues (and perhaps others)
21 as the confirmation process proceeds. For the time being, the Creditors' Committee simply wants
22 to make clear that its lack of opposition to the Noteholders' RSA Motion is not to be taken as a
23 sign that the Creditors' Committee supports the Amended Plan in its current form at this
24 time. Rather, the Creditors' Committee reserves all of its rights with respect to: (i) the Amended
25
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27
28 ¹ Capitalized terms not otherwise defined herein have the respective meanings ascribed to them in the
Noteholder RSA Motion.

1 Plan; (ii) the *Debtors' Amended Motion for Entry of Orders (I) Approving Terms of, and Debtors'*
2 *Entry Into and Performance Under, Equity Backstop Commitment Letters, (II) Approving Terms*
3 *of, and Debtors' Entry Into and Performance Under, Debt Financing Commitment Letters and*
4 *(III) Authorizing Incurrence, Payment and Allowance of Related Fees and/or Premiums,*
5 *Indemnities, Costs and Expenses as Administrative Expense Claims* [Docket No. 5267], as such
6 may be amended; (iii) the Debtors' disclosure statement; and (iv) all other matters related to the
7 Amended Plan's compliance with section 1129 of the Bankruptcy Code.
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9 Dated: February 3, 2020
10

11 **MILBANK LLP**

12 /s/ Gregory A. Bray
13 DENNIS F. DUNNE
14 SAMUEL A. KHALIL
15 GREGORY A. BRAY
16 THOMAS R. KRELLER

17 *Counsel for the Official Committee of*
18 *Unsecured Creditors*
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